

**Freight Transportation Advisory Committee of the HRTPO
Meeting Minutes**

March 31, 2017

The Virginia Port Authority
101 W Main St., #600, Norfolk, VA 23510
11:00 am – 12:30 pm

Co-Chairman Arthur W. Moye, Jr. called the HRTPO Freight Transportation Advisory Committee (FTAC) to order at 11:00 a.m. in the Waterside Conference Room at the Virginia Port Authority, with the following in attendance:

MEMBERS:

Arthur W. Moye, Jr. (Virginia Maritime Association) – Co-Chairperson
Bobby Norris (Wal-Mart)
Christopher P. Stolle (Virginia Delegate) – Co-Chairperson
Mike Abbott (COSCO Container Lines)
Tom Cosgrove (Newport News Shipbuilding)
Rick Morris (Canon Virginia, Inc.)

STAFF:

Camelia Ravanbakht (HRTPO)
David White (Virginia Maritime Association)
Jeff Florin (Virginia Port Authority)
Jeff Raliski (City of Norfolk)
Karen McPherson (McPherson Consulting)
Keith Nichols (HRTPO)
Kevin Page (HRTAC)
Rob Case (HRTPO)
Sam Belfield (HRTPO)
Thelma Drake (Norfolk Transportation)

1. CALL TO ORDER

The meeting was called to order by Co-Chairman Moye at 11:00 a.m.

2. STATE OF FREIGHT UPDATE

Mr. Bobby Norris, Wal-Mart, provided a background on the sustainability efforts Walmart has taken to optimize logistics of hauling merchandise and improving the efficiency of their truck fleet while minimizing miles traveled and their environmental impact.

3. PUBLIC COMMENT PERIOD

There were no public comments.

4. APPROVAL OF PREVIOUS MEETING'S MINUTES

Co-Chairman Moye indicated the FTAC Summary Minutes of the September 1, 2016 were included in the September agenda. He asked for corrections or amendments to the minutes. Hearing none, Mr. Cosgrove Moved to approve the minutes as written; seconded by Mr. Abbott. The Motion Carried.

REGULAR AGENDA:

5. HRSC – SEIS UPDATE

Mr. Page briefed the Committee on the latest updates of the HRTAC. Mr. Page presented the \$1.5 billion of projects under construction HRTAC is moving forward with – projects that have been planned and prioritized by the HRTPO. Mr. Page noted that over 22% of the value of the SYIP is attributed to the HRTAC projects. After providing a background on the tax revenues that fund the Hampton Roads Transportation Fund (HRTF) and the amount of revenues that have been generated thus far, Mr. Page indicated that there is no floor on the gas tax for the HRTAC or Northern Virginia Transportation Authority. Mr. Page stated that a no floor on gas tax leads to a potential delay and inflation risk to the affordability of projects, as well as higher risk and lower credit rating to revenue bonds that leads to higher interest costs. Mr. Page briefed the Committee on the Smart Scale (HB2) Funding, stating that the HRTAC projects have been scoring well, and that the Commonwealth Transportation Board (CTB) awarded \$145 million in June 2016 to the I-64 Peninsula Widening project and recommended \$100 million be awarded in June 2017 to the I-64 Southside Widening/High Rise Bridge project and \$50 million to the I-64/I-264 Interchange Phase II project.

Mr. Page also briefed the Committee on the HRTAC analysis of the Hampton Roads Crossing Study (HRCS) Supplemental Environmental Impact Statement (SEIS) Alternative A Modified, 2040 Fiscally Constraint Long-Range Transportation Plan with HRBT as “Harbor Crossing Project Phase I, Bowers Hill Added Concurrent with High Rise Bridge Phase II. Mr. Page stated that the HRBT is the only Harbor Crossing component in the SEIS Alternative A, and that Alternative A can be completed under the approved 2040 LRTP without impact to the other projects. Mr. Page stated that the HRBT, High Rise Bridge, Bowers Hill Interchange, the Routes 460/58/13 and the Ft. Eustis Boulevard Interchange can all be completed within 2040 LRTP. After reviewing the \$8.33 billion regional projects and their anticipated completion schedule, Mr. Page showed a map of indicating the remaining projects that are programmed for construction and which remain to be studied.

Mr. Page concluded his presentation with next steps, indicating that the HRTAC will continue to work to develop solutions and make considerations as more information becomes available, such as the Smart Scale (HB2) outcomes, SEIS Alternative A Record of Decision, and public discussions on funding projects and advancing the HRBT.

6. DRAFT 2017 HAMPTON ROADS REGIONAL FREIGHT STUDY: UPDATE

Mr. Belfield presented the highlights of the draft 2017 Update of the Hampton Roads Regional Freight Study for the purposes of generating feedback from the Committee. After briefing the Committee, the purpose of the study and the study outline, Mr. Belfield discussed the Hampton Roads Regional Freight System, indicating that special emphasis was placed on Regional Truck Movement and that region’s challenge is to maintain and expand the system to meet the needs of tomorrow. Mr. Belfield indicated that as container ships get bigger and faster, the way we do business is going to change. Mr.

Belfield stated that the 2017 Update includes Transearch data, which gives staff a macro look of what type of movements are anticipated in the coming years regarding the substantial increase in regional freight movement. With regards to rail volumes at the Port of Virginia, Mr. Belfield stated that there has already been increases in rail containers and based on the forecast rail volumes are expected to double by 2040.

As a part of the study, Mr. Belfield stated the document includes a summary of the top 20 Hampton Roads Commodities and the commodity flow growth trends between 2012 and 2040. As requested by the FTAC Working Group, Mr. Belfield stated the study includes a detailed summary of inbound, outbound, within Hampton Roads, and through Hampton Roads data by commodity and by mode. Mr. Belfield stated that staff was able to use the Transearch data to summarize the region's truck freight that is carried across the Commonwealth and see at a macro level the amounts of freight that is being moved for the year 2012 and 2040. This data is able to identify which Hampton Roads corridors are expected to grow substantially in the coming years. Using this data and focusing in on the Hampton Roads gateways, staff analysis forecasted net annual tonnage carried by truck at regional gateways to double by the year 2040 for I-64, US routes 58 and 13/CBBT, and 460. Mr. Belfield stated that this analysis does not capture other corridors that do not exist presently, such as US 17(I-87).

Mr. Nichols highlighted the regional truck movements aspects of the study. Mr. Nichols identified the top 10 regional gateways, with I-64 and Route 58 being the top two gateways and a shift of trucks using I-64 and Route 58 instead of Route 460. As part of the study, Mr. Nichols presented the existing weekday truck volumes on the Peninsula and Southside, noting that 8,000 trucks cross the High-Rise bridge daily, which is higher than the HRBT and MMMBT combined. Mr. Nichols also briefed the Committee on the delay trucks are experiencing and the effects on value. Analyzing this data against high profile regional corridors, staff was able to determine the amounts delay was costing the industry. Mr. Nichols noted that congestion cost incurred by the trucking industry at the HRBT was almost \$1.4 million in 2014. Mr. Nichols presented a FTAC staff graphic that had been updated by HRTPO staff, illustrating several data points relating to the Hampton Roads freight gateways, hubs, and bottlenecks.

Mr. Nichols moved onto next steps and planning for future growth. After briefly discussing the Hampton Roads regional priority projects, Mr. Nichols discussed the national freight funding programs available for freight projects. Mr. Nichols stated that under the FASTLANE grant program, local project submittals included Hampton Roads Western Freight Gateway, US Route 58 Hampton Roads Intermodal Connector, Freeman Avenue/Norfolk-Portsmouth Belt Line Railroad Overpass, and the I-64 Southside/High Rise bridge widening. Highlighting on future freight highway needs with system-wide benefits, Mr. Belfield noted the FTAC has mentioned that the freight system extends well beyond the limits of Hampton Roads. Therefore, from a system perspective, the study identified the need to address the 29-mile gap between I-64 widening projects and providing a limited access east-west connection to I-95 do not have identified funding. Even though these two projects are located outside of the Hampton Roads region, they would provide system-wide benefits. Mr. Belfield reiterated that due to the Port's

substantial growth anticipated by 2040, the region must work together to secure grant funding to remain competitive and ensure the ability to handle anticipated rail volumes.

Mr. Belfield concluded his presentation, stating the HRTPO staff plans to present the draft 2017 Update to the HRTPO TTAC in April, and requests that initial FTAC feedback on the report is submitted to staff by April 24, 2017 in order for staff to incorporate them into the document before finally submitting the final document for public review and comment. Mr. Belfield stated staff anticipates presenting the final study to the HRTPO CTAC at its July meeting and will seek HRTPO Board approval at its July 20, 2017 meeting. Mr. Belfield stated that staff plans to incorporate the latest freight data and performance measures into the LRTP and Project Prioritization tool, while continuing to engage the FTAC, work with the Commonwealth on statewide freight planning initiatives, and pursue federal grant opportunities. Mr. Belfield indicated as part of the study effort, staff plans to develop public outreach efforts to raise awareness of the importance of freight in the region. Some of the public outreach efforts staff would like to get input from the FTAC is a FYI informational piece distributed during the public comment period and a brochure. Mr. Florin recommended updating/refreshing the video the FTAC prepared a few years ago.

7. MOVING THE ECONOMY REPORT: UPDATE

Mr. Case briefed the Committee on the draft report on “Moving the Economy – How Well the Hampton Roads Transportation System Serves Three Key Economic Sectors: Port, Military, and Hospitality.” Focusing on the Port component of the report, Mr. Case stated that the report focuses on the four largest comparable port transport systems on the East Coast and the following four measures:

1. Size of service areas provided by highways serving the Port
2. Time necessary to travel the first 30 miles from the Port
3. Class I railroads serving the Port
4. Channel depth and bridge restriction from the ocean to the Port

Mr. Case indicated that for the first measurement is defined by the number of hours a truck can move from the ports in Hampton Roads to the rest of the country. The first measurement findings show that highways and land-use provide the ports of Hampton Roads with a higher number of service areas than the ports of Charleston and Savannah, and when assessing an 8-hour service area, the Port of Virginia is nearly equal to the port of New York. When considering companion of the Port of Virginia inland ports, the Hampton Roads highway system allows the Port of Virginia to serve more population within 8 highway hours than any other East Coast port. Mr. Case noted that all five of the HRTPO recommended HRTAC projects serve the Port as they are located between a Port of Virginia facility and East Coast port clients. With US Route 58 being the second highest truck gateway in Hampton Roads, a corridor study of needed improvements to US Route 58 is being conducted in order to improve Port service area. Of the 29-mile gap in the I-64 Peninsula widening project, Mr. Case noted that the 7-miles that are

located within the Hampton Roads region will have LOS C-E in 2040 but is not in the 2040 LRTP.

Moving to the findings of the second measurement, Mr. Case stated that although congestion delays impact the first 30 miles traveled in Hampton Roads, the HRTPO Board's recommendation to HRTAC of applying HRTF funding to the widening of I-64 on the Peninsula and the HRCS Alt A (HRBT) will reduce the congestion experienced by port trucks using HRBT/I-64, the primary truck gateway.

Regarding the third measurement, Mr. Case stated that Hampton Roads remained competitive with the comparable port transport systems as most are served by two Class I railroads; however, the Commonwealth Railway serving the VIG port has fifteen at-grade roadway crossings, including Nansemond Parkway for which the City of Suffolk is pursuing a grade separation project, and the 35,000 vehicles of Hampton Boulevard crossing the railroad tracks serving NIT near its gate creates a considerable conflict of modes.

Mr. Case stated that, regarding channel depth and bridge restriction measurement, the ports of Hampton Roads remain competitive with the deepest channel presently and in the future and is the only port that has no bridge height restrictions.

Mr. Case concluded his presentation with a summary map the measurement findings and next steps. Mr. Case indicated that the public review and comment period was held in January and February and that staff received and addressed comments from several stakeholders, including the Port of Virginia. Mr. Case anticipated presenting the final report to the TTAC at its May meeting and seeking HRTPO Board approval at its May 18, 2017 meeting.

8. FOR YOUR INFORMATION

Co-Chairman Moye and Mr. Florin highlighted the For Your Information section, noting that the FTAC will be briefed on the Route 58 Corridor study in the near future.

9. ANNOUNCEMENT OF NEXT MEETING DATE

Mr. Florin indicated that the two studies presented at today's meeting present an opportunity for the FTAC to put forth resolutions and discuss marketing efforts. Mr. Florin recommended meeting in June or July, and will notify members of a mutually beneficial meeting date.

With no further business to come before the FTAC, the meeting adjourned at 12:30 p.m.